

## Medical Assistance Services

### General Fund Comparison to the State Budget

Year	State Budget	% Chg	Medicaid	% Chg	% of Medicaid to State Budget	Medicaid Eligibles	% Chg
1982	408,373,400	----	16,792,200	----	4.11%	28,281	----
1983	442,097,200	8.26%	19,015,000	13.24%	4.30%	28,844	1.99%
1984	456,866,300	3.34%	21,074,100	10.83%	4.61%	29,099	0.88%
1985	556,846,300	21.88%	20,482,200	(2.81%)	3.68%	28,561	(1.85%)
1986	580,703,000	4.28%	20,339,500	(0.70%)	3.50%	28,926	1.28%
1987	622,435,100	7.19%	24,539,700	20.65%	3.94%	30,428	5.19%
1988	658,870,000	5.85%	26,548,500	8.19%	4.03%	31,456	3.38%
1989	699,236,100	6.13%	31,498,500	18.65%	4.50%	33,387	6.14%
1990	784,505,700	12.19%	39,259,500	24.64%	5.00%	36,441	9.15%
1991	911,749,600	16.22%	50,690,900	29.12%	5.56%	47,027	29.05%
1992	996,243,100	9.27%	56,533,100	11.53%	5.67%	60,184	27.98%
1993	1,025,859,900	2.97%	82,598,200	46.11%	8.05%	71,853	19.39%
1994	1,098,360,700	7.07%	87,893,700	6.41%	8.00%	82,366	14.63%
1995	1,268,128,600	15.46%	92,794,300	5.58%	7.32%	82,527	0.20%
1996	1,337,541,800	5.47%	110,369,100	18.94%	8.25%	84,514	2.41%
1997	1,391,773,100	4.05%	124,020,500	12.37%	8.91%	82,756	(2.08%)
1998	1,446,401,100	3.93%	123,802,200	(0.18%)	8.56%	80,990	(2.13%)
1999	1,609,676,100	11.29%	139,171,800	12.41%	8.65%	85,747	5.87%
2000	1,679,768,900	4.35%	162,758,500	16.95%	9.69%	95,869	11.80%
2001	1,828,502,900	8.85%	205,306,700	26.14%	11.23%	122,788	28.08%
2002	1,979,451,500	8.26%	223,145,700	8.69%	11.27%	141,954	15.61%
2003 *	1,967,895,400	(0.58%)	240,299,400	7.69%	12.21%	151,512	6.73%
<b>Average Annual Change</b>		<b>7.89%</b>	<b>14.02%</b>			<b>8.75%</b>	

\* Medicaid and the state general fund budget reflects the 2003 Original Appropriation.

The average annual growth rate in state general fund expenditures from 1982 to 2003 has been close to 8%, while the average annual growth rate in Medicaid over this same time period has been 14%. In effect, doubling about every seven years. Medicaid eligibles have grown about 9% annually.

In 1982, Medicaid made-up 4% of the state general fund budget, but that has grown to over 12% in 2003.

Medicaid was expanded greatly from 1987 through 1994. This was the result of both Congressional and Legislative actions. For example, the federal government expanded Medicaid eligibility and reformed the standards that govern nursing home care. These activities resulted with the enactment of three major federal laws: the Omnibus Budget Reconciliation Act (OBRA) of 1987, the Medicare Catastrophic Coverage Act (MCCA) of 1988, and the Omnibus Budget Reconciliation Act (OBRA) of 1989. In 1990, the Idaho Legislature expanded Medicaid to include personal care services and the following year it expanded Medicaid to include other optional services such as durable medical equipment, soft organ transplants, adult dental, adult vision, adult hearing, and prosthetics.

Beginning in 1999, Medicaid once again began to grow significantly. This was due in part to the Congressional expansion of Medicaid to include another new optional program known as the Children's Health Insurance Program (CHIP), which Idaho subsequently adopted. While only 12,000 children are currently enrolled in the program, many more children and their families have been found to qualify for benefits under the normal Medicaid program after having applied for services under CHIP.

# Medical Assistance Services

## Comparative Summary

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
<b>FY 2003 Original Appropriation</b>	<b>195.69</b>	<b>240,299,400</b>	<b>857,806,500</b>	<b>195.69</b>	<b>240,299,400</b>	<b>857,806,500</b>
Reappropriations	0.00	0	9,637,500	0.00	0	9,637,500
Budget Reduction (Neg. Supp.)	24.00	(5,493,600)	(18,692,100)	24.00	(2,680,800)	(9,006,100)
<b>FY 2003 Total Appropriation</b>	<b>219.69</b>	<b>234,805,800</b>	<b>848,751,900</b>	<b>219.69</b>	<b>237,618,600</b>	<b>858,437,900</b>
Expenditure Adjustments	13.87	(711,200)	15,241,400	13.87	(711,200)	15,241,400
<b>FY 2003 Estimated Expenditures</b>	<b>233.56</b>	<b>234,094,600</b>	<b>863,993,300</b>	<b>233.56</b>	<b>236,907,400</b>	<b>873,679,300</b>
Removal of One-Time Expenditures	0.00	0	(9,750,800)	0.00	0	(9,750,800)
Base Adjustments	0.00	(1,677,200)	(5,833,000)	0.00	(1,677,200)	(5,833,000)
Restore Budget Reduction	(24.00)	5,493,600	18,692,100	0.00	0	0
<b>FY 2004 Base</b>	<b>209.56</b>	<b>237,911,000</b>	<b>867,101,600</b>	<b>233.56</b>	<b>235,230,200</b>	<b>858,095,500</b>
Personnel Cost Rollups	0.00	60,700	156,300	0.00	69,800	185,500
Inflationary Adjustments	0.00	9,798,800	33,906,800	0.00	7,241,200	25,103,200
Replacement Items	0.00	106,200	205,000	0.00	82,900	160,200
Nonstandard Adjustments	0.00	8,078,600	27,658,700	0.00	10,492,000	36,025,600
Change in Employee Compensation	0.00	45,200	116,300	0.00	0	0
Fund Shifts	0.00	2,957,400	0	0.00	3,008,300	0
<b>FY 2004 Total</b>	<b>209.56</b>	<b>258,957,900</b>	<b>929,144,700</b>	<b>233.56</b>	<b>256,124,400</b>	<b>919,570,000</b>
Change from Original Appropriation	13.87	18,658,500	71,338,200	37.87	15,825,000	61,763,500
% Change from Original Appropriation		7.8%	8.3%		6.6%	7.2%

**Medical Assistance Services**  
**Medicaid Provider Payments by Type of Service**  
**(All Funds)**

<u>Type of Service</u>	<u>FY 2002 Actual</u>	<u>FY 2003 Estimate</u>	<u>FY 2004 Estimate</u>
1 Inpatient Hospital	108,877,900	117,628,000	123,137,700
2 Nursing Facility	120,229,700	128,235,000	128,330,100
3 Prescription Drugs	114,158,000	121,961,700	131,055,500
4 Waivered Services	77,817,300	90,982,500	97,982,000
5 Physician Services	49,016,200	51,584,500	52,933,900
6 Mental Health	43,427,400	57,403,000	65,815,500
7 Outpatient Hospital	35,036,600	40,570,100	47,103,500
8 Developmental Disability Centers	31,775,500	37,237,200	39,579,700
9 Intermediate Care Facilities for the Mentally Retarded	34,572,900	35,623,200	35,740,900
10 Dental Services	20,375,700	16,312,400	17,963,200
11 Targeted Case Management	13,498,400	15,672,800	16,744,400
12 Personal Care Services	14,933,100	19,447,900	22,527,300
13 Medical Transportation	11,673,100	12,236,100	12,711,700
14 Durable Medical Equipment & Supplies	9,615,500	8,039,000	6,934,800
15 Medicare Parts A & B	14,621,300	15,406,500	16,573,100
16 Home Health Services	6,883,100	7,307,900	7,836,300
17 Other Practitioners	6,232,900	7,228,900	7,803,900
18 Physical Therapy	4,628,500	3,869,700	3,338,200
19 Laboratory & Radiology Services	7,749,800	9,748,100	10,169,100
20 EPSDT Services	3,835,200	3,391,600	2,834,400
21 Rural Health Clinic Services	4,200,800	5,531,600	7,210,900
22 Federally Qualified Health Centers	1,669,600	2,086,400	2,504,300
23 School District Services	2,294,300	2,959,600	3,530,500
24 Indian Health Services	1,631,500	1,624,100	1,436,000
25 Primary Care Case Management	1,987,400	3,221,400	4,100,100
26 Prosthetic & Orthotic Services	1,114,900	932,100	804,100
27 Group Health Plan Payments	1,622,300	1,610,600	1,619,000
28 Optician Services & Supplies	1,288,500	1,077,300	929,300
29 Outpatient Rehabilitation	1,296,800	1,084,200	935,300
30 Family Planning	984,200	1,190,800	1,350,400
31 Sterilizations	884,800	603,800	494,600
32 Hospice Benefits	585,200	800,500	967,500
33 Audiologist	433,100	362,100	312,300
34 Medical Supplies	231,900	193,900	167,300
35 District Health	156,600	130,900	112,900
36 Abortions	3,300	3,500	3,500
37 Disproportional Share Hospital Payments	10,053,800	10,300,000	10,300,000
38 Breast & Cervical Cancer Expansion	515,000	915,200	1,634,600
39 Nurse Aide Training/DUR/Miscellaneous	151,900	0	0
40 Children's Health Insurance Program (CHIP)	16,725,600	17,794,800	18,129,000
41 Transfer to State Hospital South	0	0	(5,916,800)
<b>Total Excluding ISSH</b>	<b><u>776,789,600</u></b>	<b><u>852,308,900</u></b>	<b><u>897,740,000</u></b>